



DEPARTMENT OF THE INTERIOR

INFORMATION SERVICE

FISH AND WILDLIFE SERVICE

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NEW FISHERY FREIGHT RATES MEAN \$16 MILLION COST INCREASE TO SHIPPERS

Freight rate increases granted to the railroads by the Interstate Commerce Commission on July 27 will result in additional costs of about 16 million dollars per year to the fishing industry, Milton C. James, acting director of the Fish and Wildlife Service, estimated today.

Increases in costs to the fishing industry under the original petition of the railroads for higher rates would have amounted to approximately 26 million dollars.

Protests against the increased freight rates were made by fishery trade groups, individual shippers, State agencies, the Department of Agriculture's Production and Marketing Administration, and the Department of the Interior's Fish and Wildlife Service.

In last year's hearings before the I. C. C., Dr. Richard A. Kahn, Fish and Wildlife Service economist, explained that the Service was concerned with "the best and cheapest means of utilizing fishery products for economic purposes." The Service is interested in railroad freight rates, he said, as a part of production and distribution costs for fish.

Protesting the original petition of the railroad industry for higher freight rates from fishery shippers, Dr. Kahn contended that the prices of fishery products, on the average, had not advanced as high as other food commodities. He also argued that the costs of icing and other railroad services had not increased to the extent that warranted the increased rates requested by the railroad industry.

Fishery shippers within the eastern territory will have to pay a 30 percent higher rate for transportation under the new rail freight rate schedule. The railroad industry originally asked for a 41 percent rate hike.

Shippers of fishery products within the southern territory now will pay 25 percent more for rail transportation. The railroad industry asked for a 31 percent freight rate increase.

Within zone I of the western trunk-line territory, fishery shippers will now pay 25 percent more. Within western territory other than zone I of the western trunk-line territory, they will now pay a 20 percent higher rate for rail transportation. The original petition of the railroads asked for a 31 percent rate hike or all of the western trunk-line territory.

Fishery shipments made interterritorially between southern and western territories, and between those territories on the one hand and eastern territory on the other, will now cost 25 percent more. The railroads asked for a 41 percent increase in rates.

Limitations on these increases were made for certain fishery commodities by establishing maximum rate hikes.

Rates for shipment on non-edible and non-medicinal fishery oils will not increase more than 20 cents per 100 pounds. Shipments of oyster, clam, coquina, and mussel shells will not be charged with more than a one and a half cent increase per 100 pounds if shipped in open cars with the lading unprotected. Rates for shipments of these shells in cars where the lading is protected by tarpaulins or similar coverings will not be raised more than 6 cents per 100 pounds. A maximum increase of 8 cents per 100 pounds was placed on shipments of fertilizer.

Icing charges will be increased by 15 percent. The railroads requested a 41 percent increase for the service.

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